

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

ARKADIY DUBOVOY, et al.,

Defendants.

No. 15-cv-06076 (MCA)

FINAL JUDGMENT AS TO DEFENDANT MEMELLAND INVESTMENTS LTD.

The Securities and Exchange Commission having filed an Amended Complaint and Defendant Memelland Investments Ltd., after being held in default, having entered a general appearance; consented to the Court's jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment without admitting or denying the allegations of the Amended Complaint (except as to jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or

would operate as a fraud or deceit upon the purchaser.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$375,000, representing profits gained as a result of the conduct alleged in the Amended Complaint, and a civil penalty in the amount of \$475,000 pursuant to Section 21A of the Exchange Act. Defendant shall satisfy this obligation by paying \$850,000 to the Securities and Exchange Commission within 30 days after entry of this Final Judgment.

Defendant may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

Enterprise Services Center
Accounts Receivable Branch
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; Memelland Investments Ltd. as a defendant in this action; and specifying that

payment is made pursuant to this Final Judgment.

Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.

The Commission may enforce the Court's judgment for disgorgement by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after 30 days following entry of this Final Judgment. Defendant shall pay post judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

IV.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that that the Asset Freeze Order (Dkt. 231) is modified as follows: within 5 business days after being served with a copy of this Final Judgment, Interactive Brokers LLC ("Interactive Brokers") shall transfer \$850,000 from the following Interactive Brokers accounts which were frozen pursuant to an Order of this Court to the Commission:

Account Owner	Acct. Ending in:
Memelland Investments Ltd.	*4300
Memelland Investments Ltd.	*2799

Interactive Brokers may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Interactive Brokers also may transfer these funds by

certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

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and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; and specifying that payment is made pursuant to this Final Judgment. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that other than transferring the \$850,000 to the Commission, the assets held in said accounts shall not be transferred, withdrawn, pledged, assigned, or otherwise encumbered or dissipated, unless and until the full settlement amount of \$850,000 has been transmitted to and received by the Commission and the Commission has acknowledged receipt. Defendant and its representatives, agents, assigns, and custodians shall take all actions necessary to ensure that \$850,000 is transferred from said accounts to the Commission. (If the assets in said accounts are insufficient to satisfy the \$850,000 judgment, Interactive Brokers shall transfer, and Defendant and its representatives, agents, assigns, and custodians shall take all actions necessary to ensure the transfer of, the full value of said accounts and Defendant shall be liable for the difference.) Within 5 business days of receipt of the \$850,000 owed pursuant to this Final Judgment, the Commission shall file a Notice of Satisfaction of the monetary portion of the judgment against Defendant ("Notice"). Upon filing of the Notice, the Asset Freeze Order (Dkt. 231), as it applies to the Interactive Brokers accounts ending *4300 and *2799, shall automatically be lifted, and all remaining sums of moneys in those two accounts previously frozen by the Court shall be made

available to the account holder.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

VII.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

Dated: May 15, 2020

A handwritten signature in black ink, appearing to be 'M. Cox', written over a horizontal line.

Hon. Madeline Cox Arleo, U.S.D.J.